



COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

900 SOUTH FREMONT AVENUE
ALHAMBRA, CALIFORNIA 91803-1331
Telephone: (626) 458-5100
<http://dpw.lacounty.gov>

GAIL FARBER, Director

ADDRESS ALL CORRESPONDENCE TO:
P.O. BOX 1460
ALHAMBRA, CALIFORNIA 91802-1460

March 15, 2011

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

34 March 15, 2011

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

Dear Supervisors:

**AWARD OF CONTRACTS FOR AS-NEEDED HEATING, VENTILATION, AND
AIR CONDITIONING SERVICES AT NORTH COUNTY AREA FACILITIES
(SUPERVISORIAL DISTRICT 5)
(3 VOTES)**

SUBJECT

This action is to award two contracts for As-Needed Heating, Ventilation, and Air Conditioning Services at North County Area Facilities.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Find that the contract work is categorically exempt from the provisions of the California Environmental Quality Act.
2. Award two contracts for As-Needed Heating, Ventilation, and Air Conditioning Services at North County Area Facilities in an annual aggregate sum of \$35,000 to Econo-West, Inc., and F.M. Thomas Air Conditioning, Inc. These contracts will be for a term of one year commencing on April 8, 2011, or upon each party's execution of the contract, whichever occurs last, with four 1-year renewal options and a month to month extension for up to six months for a maximum potential term of 66 months (five and a half years) and a potential maximum aggregate contract sum of \$192,500.
3. Authorize the Director of Public Works or her designee to annually increase the aggregate contract amount up to an additional 10 percent of the annual aggregate contract sum for unforeseen, additional work within the scope of the contracts, if required, and to adjust the annual aggregate contract sum for each option year over the term of the contracts to allow for an annual cost-of-living

adjustment in accordance with County policy and the terms of the contracts.

4. Authorize the Director of Public Works or her designee to execute these contracts; to renew these contracts for each additional renewal option if, in the opinion of the Director of Public Works or her designee, the contractors have successfully performed during the previous contract period and the services are still required; to approve and execute amendments to incorporate necessary changes within the scope of work; and to suspend work if, in the opinion of the Director of Public Works or her designee, it is in the best interest of the County of Los Angeles to do so.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended action is to provide as-needed and intermittent service and maintenance for heating, ventilation, and air conditioning systems at the Department of Public Works (Public Works) facilities throughout the North County area. Public Works has contracted for these services since 2001.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan directs the provision of Operational Effectiveness (Goal 1) and Community and Municipal Services (Goal 3). The contractors who have the specialized expertise to provide these services accurately, efficiently, timely, and in a responsive manner will support Public Works in meeting these goals.

FISCAL IMPACT/FINANCING

There will be no impact to the County General Fund.

These contracts are for an annual aggregate amount \$35,000 plus 10 percent for additional work within the scope of the contracts. This amount is based on the unit prices quoted by the contractors and our estimated annual utilization of the contractors' services. Public Works negotiated with contractors, Econo-West, Inc., and F.M. Thomas Air Conditioning Inc., and F.M. Thomas Air Conditioning, Inc., agreed to reduce all of its unit rates from \$95 to \$90 without adding extension years or reducing the level of service.

Funding for these services is included in various Public Works Fiscal Year 2010-11 funding sources including, but not limited to, the Road Fund, Sewer Maintenance Districts, and Waterworks Fund Budgets. When the need arises for services under these contracts, financing the required services will be made from the appropriate fund source. Total annual expenditures for these services will not exceed the contract amount approved by your Board, and no service will be ordered without the funding authorization of Public Works Financial Management Branch. Funds to finance the contracts' optional years and 10 percent additional funding for contingencies will be requested through the annual budget process.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The recommended contractors are Econo-West, Inc., located in Lancaster, California, and F.M.

Thomas Air Conditioning, Inc., located in Brea, California. These contracts will commence on April 8, 2011, or each party's execution of the contract, whichever occurs last, for a period of one year. With your Board's delegated authority, the Director of Public Works (Director) or her designee may renew these contracts for four 1-year renewal options and a month-to-month extension for up to six months for a maximum potential contract period of 66 months (five and a half years).

The contracts will be in the form previously reviewed and approved by County Counsel (Enclosure A). Prior to the Director or her designee executing these contracts, the contractor will sign and County Counsel will review as to form. The recommended contracts with Econo-West, Inc., and F.M. Thomas Air Conditioning, Inc., were solicited on an open-competitive basis and are in accordance with applicable Federal, State, and County requirements. The contractors are in compliance with the requirements of the Chief Executive Officer and your Board.

The award of these contracts will not result in unauthorized disclosure of confidential information and will be in full compliance with Federal, State, and County regulations. These contracts contain terms and conditions supporting your Board's ordinances, policies, and programs including, but not limited to: the County's Greater Avenues for Independence and General Relief Opportunities for Work Programs (GAIN and GROW), Board Policy No. 5.050; Contract Language to Assist in Placement of Displaced County Workers, Board Policy No. 5.110; Reporting of Improper Solicitations, Board Policy No. 5.060; Notice to Contract Employees of Newborn Abandonment Law (Safely Surrendered Baby Law), Board Policy No. 5.135; Contractor Employee Jury Service Program, Los Angeles County Code, Chapter 2.203; Notice to Employees Regarding the Federal Earned Income Credit (Federal Income Tax Law, Internal Revenue Service Notice 1015); Contractor Responsibility and Debarment, Los Angeles County Code, Chapter 2.202; the Los Angeles County's Child Support Compliance Program, Los Angeles County Code, Chapter 2.200; and Defaulted Property Tax Reduction Program Ordinance, Los Angeles County Code, Chapter 2.206; and the standard Board directed clauses that provide for contract termination or renegotiation.

Data regarding the proposers' minority participation is on file with Public Works. The contractors were selected upon final analysis and consideration without regard to race, creed, gender, or color.

Proof of the required Comprehensive General and Automobile Liability insurance policies, naming the County as additional insured, and evidence of Workers' Compensation insurance will be obtained from the contractors before any work is assigned.

Pursuant to the applicable memorandum of understanding, the Request for Proposals (RFP) for these contracted services were submitted on November 16, 2010, to the appropriate union for review. The union has not asked to meet with Public Works regarding this solicitation.

Public Works has evaluated and determined that the Living Wage Program (Los Angeles County Code, Chapter 2.201) does not apply to these recommended contracts, which are for services required on an as-needed and intermittent basis; hence, these contracts are not a Proposition A contract (Los Angeles County Code, Chapter 2.121).

ENVIRONMENTAL DOCUMENTATION

These services are categorically exempt from the provisions of the California Environmental Quality Act (CEQA). These services are within a class of projects that has been determined not to have a significant effect on the environment in that they meet the criteria set forth in Section 15301 of the CEQA.

CONTRACTING PROCESS

On August 18, 2010, Public Works solicited proposals from 142 independent contractors and community business enterprises to accomplish this work. Also, a notice of the RFP was placed on the County's bid website (Enclosure B), and an advertisement was placed in the Los Angeles Times.

On September 16, 2010, five proposals were received. The proposals were first reviewed to ensure they met the minimum requirements in the RFP. All proposals having met these requirements were then evaluated by an evaluation committee consisting of Public Works staff. The evaluation was based on criteria described in the RFP, which included the price, experience, work plan, references utilizing the informed averaging methodology for applicable criteria. Based on this evaluation, it is recommended that these contracts be awarded to the two highest-rated, responsive, and responsible proposers, Econo-West, Inc., and F.M. Thomas Air Conditioning, Inc.

As the need for work arises, the Contract Manager will always assign the work starting with the highest-rated contractor first, which is Econo-West, Inc. If that contractor is unavailable to perform the work within Public Works' established time frame, the next highest-rated contractor, which is F.M. Thomas Air Conditioning, Inc., will be offered the work.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The award of these contracts will not result in the displacement of any County employees as these services are presently contracted with the private sector.

CONCLUSION

Please return one adopted copy of this letter to Public Works, Administrative Services Division.

The Honorable Board of Supervisors
3/15/2011
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Respectfully submitted,

A handwritten signature in cursive script that reads "Gail Farber".

GAIL FARBER
Director

GF:GZ:cg

Enclosures

c: Chief Executive Office (Rita Robinson)
County Counsel
Executive Office

SAMPLE AGREEMENT FOR
AS-NEEDED HEATING, VENTILATION, AND AIR CONDITIONING (HVAC)
SERVICES AT NORTH COUNTY AREA FACILITIES

THIS AGREEMENT, made and entered into this ____ day of _____, 2011, by and between the COUNTY OF LOS ANGELES, a subdivision of the State of California, a body corporate and politic (hereinafter referred to as COUNTY) and [NAME OF CONTRACTOR], a [Form of Entity] California Corporation (hereinafter referred to as CONTRACTOR).

WITNESSETH

FIRST: The CONTRACTOR, for the consideration hereinafter set forth and the acceptance by the Board of Supervisors of said COUNTY of the CONTRACTOR'S Proposal filed with the COUNTY on September 14, 2010, hereby agrees to provide services as described in this Contract for As-Needed Heating, Ventilation, and Air Conditioning (HVAC) Services at North County Area Facilities including, but not limited to, Exhibit A, Scope of Work.

SECOND: This AGREEMENT, together with Exhibit A, Scope of Work; Exhibit B, Service Contract General Requirements; Exhibit C, Internal Revenue Service Notice 1015; Exhibit D, Safely Surrendered Baby Law Posters; Exhibit E, Defaulted Property Tax Reduction Program; the CONTRACTOR'S Proposal, all attached hereto; the Request for Proposals; and Addenda to the Request for Proposals, all of which are incorporated herein by reference, are agreed by the COUNTY and the CONTRACTOR to constitute the Contract.

THIRD: The COUNTY agrees, in consideration of satisfactory performance of the foregoing services in strict accordance with the Contract specifications to the satisfaction of the Director of Public Works, to pay the CONTRACTOR pursuant to the Schedule of Prices set forth in the Proposal and attached hereto as Form PW-2. In no event will the COUNTY pay any and all contractors providing service under this Program an aggregate annual amount of \$35,000 or such greater amount as the Board may approve (Maximum Contract Sum).

FOURTH: As part of the evaluation process relative to this Contract solicitation, the COUNTY determined that Public Works will request services on an as-needed basis. Consideration will be given sequentially to the two successful Contractors, by placing them on a list according to rank determined by the selection process as described in Part I, Section 4, Evaluation of Proposals; Award and Execution of Contract of the Request for Proposals, with the highest-rated Contractor placed first and the next highest-rated Contractor placed second. As the need for work arises, the Contract Manager will always assign the work starting with the highest-rated Contractor first which is Econo-West, Inc. If that Contractor is unavailable to perform the work within Public Works' established time frame, the next highest-rated Contractor, which is F.M. Thomas Air Conditioning, Inc., will be offered the work. Since this work is as-needed in nature, there is no guarantee of work. Notwithstanding the foregoing, the

parties understand and agree that this Contract is nonexclusive, the COUNTY may enter into other contracts for the performance of the same or similar services, and the CONTRACTOR is not entitled to or guaranteed the assignment of any work hereunder.

FIFTH: This Contract's initial term shall be for a period of one year commencing on April 8, 2011 or each party's execution of the Contract, whichever occurs last. At the sole discretion of the COUNTY, this Contract may be extended in increments of one year, for a maximum potential contract of five years. The COUNTY, acting through the Director, may give a written notice of intent to extend this Contract at least ten days prior to the end of each term. At the sole discretion of the COUNTY, in lieu of extending the Contract for the full one year, this Contract may be extended on a month-to-month basis, upon written notice to the Contractor at least ten days prior to the end of a term. The Director will provide a written notice of nonrenewal at least ten days before the last day of any term, in which case this Contract shall expire as of midnight on the last day of that term. Where all option years have been exercised, the Director will not provide a written notice of nonrenewal. In addition, upon notice of at least ten days, the Director may extend the final contract term on a month-to-month basis, not to exceed a total of six months, for the convenience of the COUNTY

SIXTH: The CONTRACTOR shall bill monthly, in arrears, for the work performed during the preceding month. Work performed shall be billed at the hourly rates quoted in Form PW-2, Schedule of Prices.

SEVENTH: Upon receipt of a properly completed and undisputed invoice, Public Works will make payment to the CONTRACTOR in accordance with Board of Supervisors Policy No. 3.035, Small Business Liaison and Prompt Payment Program since the CONTRACTOR is certified by the COUNTY as a Local Small Business Enterprise. When the CONTRACTOR is no longer certified as a Local Small Business Enterprise, Public Works will make payment to the CONTRACTOR within 30 days of receipt of a completed and undisputed invoice. Each invoice shall be in triplicate (original and two copies) and shall itemize the work completed. The invoices shall be submitted to:

County of Los Angeles Department of Public Works
Attention Fiscal Division, Accounts Payable
P.O. Box 7508
Alhambra, CA 91802-7508

EIGHTH: In no event shall the aggregate total amount of compensation paid to any and all contractors under this Program exceed the amount of compensation authorized by the Board. Such aggregate total amount is the Maximum Contract Sum.

NINTH: The CONTRACTOR understands and agrees that only the designated Public Works Contract Manager is authorized to request or order work under this Contract. The CONTRACTOR acknowledges that the designated Contract Manager is not authorized to request or order any work that would result in the CONTRACTOR earning an aggregate compensation in excess of this Contract's Maximum Contract Sum.

TENTH: The CONTRACTOR shall not perform or accept work requests from the Contract Manager or any other person that will cause the Maximum Contract Sum of this Contract to be exceeded. CONTRACTOR shall monitor the balance of this Contract's Maximum Contract Sum. When the total of the CONTRACTOR'S paid invoices, invoices pending payment, invoices yet to be submitted, and ordered services reaches 75 percent of the Maximum Contract Sum, the CONTRACTOR shall immediately notify the Contract Manager in writing. The CONTRACTOR shall send written notification to the Contract Manager when this Contract is within six months from expiration of the term as provided for hereinabove.

ELEVENTH: The Director may adjust the rate of compensation set forth in Form PW-2 (Schedule of Prices) annually based on the increase or decrease in the U.S. Department of Labor, Bureau of Labor Statistics', All Urban Consumers Price Index (CPI) for the Los Angeles-Riverside-Orange County Area for the 12-month period preceding the contract anniversary date, which shall be the effective date for any such cost-of-living adjustment. The percentage change in the rate of compensation shall equal 12 times the average monthly change in the CPI over the first nine months of the contract term preceding the effective date. However, any percentage increase shall not exceed the general salary movement granted to COUNTY employees as determined by the COUNTY'S Chief Executive Office as of July 1 for the prior 12-month period. Furthermore, should fiscal circumstances ultimately prevent the Board from approving any increase in COUNTY employee salaries, no cost-of-living adjustment will be granted.

TWELFTH: In the event that terms and conditions, which may be listed in the CONTRACTOR'S Proposal, conflict with the COUNTY'S specifications, requirements, and terms and conditions as reflected in this AGREEMENT including, but not limited to, Exhibits A through E, inclusive, the COUNTY'S provisions shall control and be binding.

THIRTEENTH: The CONTRACTOR agrees in strict accordance with the Contract specifications and conditions to meet the COUNTY'S requirements.

FOURTEENTH: This Contract constitutes the entire agreement between the COUNTY and the CONTRACTOR with respect to the subject matter of this Contract and supersedes all prior and contemporaneous agreements and understandings.

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IN WITNESS WHEREOF, the COUNTY has, by order of its Board of Supervisors, caused these presents to be subscribed by the Director of Public Works, and the CONTRACTOR has subscribed its name by and through its duly authorized officers, as of the day, month, and year first written above.

COUNTY OF LOS ANGELES

By _____
Director of Public Works

APPROVED AS TO FORM:

ANDREA SHERIDAN ORDIN
County Counsel

By _____
Deputy

[NAME OF CONTRACTOR]

By _____
Its President

Type or Print Name

By _____
Its Secretary

Type or Print Name

Selected Bid Information

ENCLOSURE B

Bid Detail Information

Bid Number : PW-ASD 792
Bid Title : As-Needed Heating, Ventilation, and Air Conditioning (HVAC) Services at North County Area Facilities (2010-AN025)
Bid Type : Service
Department : Public Works
Commodity : HEATING, VENTILATING AND AIR CONDITIONING SERVICE (HVAC)
Open Date : 8/20/2010
Closing Date : 9/1/2010 9:00 AM
Bid Amount : \$ 35,000
Bid Download : Not Available
Bid Description : PLEASE TAKE NOTICE that Public Works requests proposals for the Heating, Ventilation, and Air Conditioning (HVAC) Services at North County Area Facilities (2010-AN025). The total annual contract amount of these services is estimated to be \$35,000. The Request for Proposals (RFP) with contract specifications, forms, and instructions for preparing and submitting proposals may be accessed at <http://dpw.lacounty.gov/asd/contracts> or may be requested from Mr. Andres Campaz at (626) 458 4072, or at acampaz@dpw.lacounty.com, Monday through Thursday, 7 a.m. to 5 p.m.

PLEASE CHECK THE WEBSITE FREQUENTLY FOR ANY CHANGES TO THIS SOLICITATION. ALL ADDENDA AND INFORMATIONAL UPDATES WILL BE POSTED AT <http://dpw.lacounty.gov/asd/contracts>.

Minimum Requirement(s): Proposers must meet all minimum requirements set forth in the RFP document including, but not limited to:

1. Proposer or its managing employee must have a minimum of three years of experience providing Heating, Ventilation, and Air Conditioning (HVAC) Services.
2. Proposer must possess a Specialty Contractor's Class C license and EPA Universal Certification in Refrigerant Transition and Recovery issued by the State of California.

A Proposers' Conference will be held on Wednesday, September 1, 2010, at 9 a.m. at Public Works Headquarters, 900 South Fremont Avenue, Alhambra, California 91803, in Conference Room B. ATTENDANCE BY THE PROPOSER OR AN AUTHORIZED REPRESENTATIVE AT THE CONFERENCE IS MANDATORY. Public Works will reject proposals from those whose attendance at the conference cannot be verified. Attendees should be prepared to ask questions at that time about the specifications, proposal requirements, and contract terms. After the conference, Proposers must submit questions in writing and request information for this solicitation within seven calendar days from the date of the conference. After the seventh day, it may be impossible to respond to further requests for information.

The deadline to submit proposals is Thursday, September 16, 2010, at 5:30 p.m. Please direct your questions to Mr. Campaz at the number listed above.

Contact Name : Andres Campaz
Contact Phone# : (626) 458-4072
Contact Email : acampaz@dpw.lacounty.gov
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